

September 17, 2012

ITEM NO. C7

**AUTHORIZATION TO EXECUTE A HOUSING ASSISTANCE PAYMENTS (HAP)
CONTRACT FOR 3600 NORTH HALSTED APARTMENTS**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to 1) execute an Agreement to enter into a Housing Assistance Payments Contract for 3600 N. Halsted Apts.; and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

CORPORATE GOAL

The purpose of this contract is to increase the supply of long-term affordable housing in healthy and revitalizing neighborhoods by providing Property Rental Assistance (PRA) for seventy nine (79) apartments as more specifically set forth below.

FUNDING: Housing Choice Voucher Program

PROPERTY SUMMARY

Development Name	Community; Ward; Alderman	Developer / Owner	Target Population	Supportive Housing Provider	PRA Units	Total Units
3600 N. Halsted Apartments	Lakeview; 44 th Ward; Tom Tunney	Heartland Housing	Seniors 55 + welcoming to and inclusive of the LGBT community	Center on Halsted	79	79

CONTRACT SUMMARY

Development Name	Funding	Contract Term	Contract Type	Initial Max Contract	Total Max Contract	Application Received
3600 N. Halsted Apartments	HCV Program	30 Years	AHAP Contract	\$970,800 / year	\$29,124,000 (30 years)	May 8, 2012

GENERAL BACKGROUND

Waiting List / Occupancy Process

Based on household size, there are over 5,000 applicants aged 55 or older on the CHA family or HCV waiting lists that need a studio or 1 BR. For the occupancy process for this property, CHA will utilize the same waiting list procedure used for the scattered housing program. That process consists of:

- 50% of the referrals will come from CHA's general waiting lists as well as households whose right of return under the Relocation Rights Contract has not yet been met.
- 50% will come from CHA's Community Area waiting list for Lakeview / surrounding communities.
- All 79 units will be leased from one of these lists maintained by the CHA.

This property will permit applicants on the CHA waiting lists to choose housing that is welcoming to and inclusive of the Lesbian, Gay, Bisexual, and Transgendered (LGBT) community. All housing decisions at the property will be made without regard to actual or perceived sexual orientation, gender identity or marital status in accordance with the Fair Housing Act and all applicable federal laws and regulations.

Background on 3600 N. Halsted Apts.

The development includes historic preservation of the Town Hall police station currently on the site and construction of a new 6-story building. The property will contain 79 residential units (30 studio and 49 one-bedroom apartments) 26 covered parking spaces and ground floor retail. The building will serve individuals 55 and older. Heartland was selected by the City of Chicago as part of a competitive procurement process in 2011. Financing will be provided by City of Chicago Low Income Housing Tax Credits and HOME funds, Investor Equity, Historic Tax Credits, and grants from the Federal Home Loan Bank and the State of Illinois.

Heartland has been involved in the development and management of 15 properties totaling approximately 1,600 units of affordable and permanent supportive housing since its inception in 1988. The Center on Halsted, a non-profit supportive service provider will hold a minority ownership interest in the project and be responsible, via a Memorandum of Understanding with Heartland, for service delivery to the tenants.

Conclusion

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The Acting Chief Housing Officer concurs with the recommendation to execute Housing Assistance Payments contracts for 3600 N. Halsted Apartments and Wheeler House.

The CEO/President recommends the approval to execute a Housing Assistance Payments contract for 3600 N. Halsted Apartments.

RESOLUTION NO. 2012-CHA-75

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated September 17, 2012 requesting authorization to execute Housing Assistance Payments contracts for 3600 N. Halsted Apartments;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) execute an Agreement to enter into a Housing Assistance Payments Contract for 3600 N. Halsted Apts.; and 2) execute all other documents as may be necessary or appropriate to implement the foregoing.

